

PENINSULA AIRPORT COMMISSION

MINUTES

December 16, 2015

PRESIDED: James Bourey

The regularly scheduled meeting of the Peninsula Airport Commission was held on Wednesday, December 16, 2015 at 8:00 a.m. in the Airport Commission Room at the Newport News/Williamsburg International Airport.

Commissioners present were:

Herbert H. Bateman, Jr., Jim Bourey, LaDonna Finch, Steve Mallon and George Wallace.

(Commissioner Aubrey Fitzgerald was not in attendance)

(Executive Director

Mr. Ken Spirito

Assistant Executive Director

Ms. Melissa Cheaney

Director, Marketing and Public Relations

Ms. Jessica Wharton

Director, Finance and Administration

Ms. Renee Ford

Legal Counsel

Mr. Herbert V. Kelly, Jr.

Executive Assistant

Ms. Rhonda Wissinger

Public in Attendance

Nick Patterson-RS&H

COMMENTS FROM THE PUBLIC

There were no comments from the public at this time.

MINUTES OF COMMISSION MEETING HELD NOVEMBER 24, 2015

RESOLVED, that the Peninsula Airport Commission approve the minutes of the Commission meeting held November 24, 2015.

Commissioner Steve Mallon made the motion to adopt the November 24, 2015 minutes. Commissioner LaDonna Finch seconded the motion.

Voting yes were:

James Bourey, LaDonna Finch and Steve Mallon.

ASSISTANT EXECUTIVE DIRECTOR

Ms. Cheaney, Assistant Executive Director gave the following report:

- Consolidated Checkpoint- Ms. Cheaney reported that we have worked through permitting issues for the Consolidated Checkpoint and construction will start this week. The timeframe for the project would be approximately 12 months. It will be substantially complete by Thanksgiving.

DIRECTOR OF MARKETING AND PUBLIC RELATIONS

Ms. Jessica Wharton, Director of Marketing and Public Relations, gave the following report:

- Passenger numbers for the month of November were decreased by 2.2% and YTD are down 22%. The load factors are doing well and for November Delta's load factor was 93% and American Airlines was 82%. Norfolk Airport had not reported their numbers yet and Richmond Airport reported an increase of 7.2% for November and an increase of 4.9% YTD.
- Sister Cities Doll Display-representatives from Sister Cities will be in today to install a traditional Japanese doll display that was a gift to Newport News from our Sister City of Neyagawa. The display has been hosted by several city businesses including Canon. The display will be featured in the alcove area across from the ticket counters.

DIRECTOR OF FINANCE & ADMINISTRATION

Renee Ford, Director of Finance & Administration gave the following report:

Ms. Ford reported that the Financials were not ready at this time but will be ready next week and will be distributed as soon as they are available.

(Commissioner Herbert H. Bateman, Jr. and Commissioner George Wallace arrived at 8:06 a.m.)

CLOSED MEETING

BE IT RESOLVED, that the Commission enter into a Closed Meeting pursuant to the Virginia Freedom of Information Act; Section 2.2-3711.A. pertaining to:

Discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body. Specifically, the Commission will discuss the disposition of publicly held real property.

Discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the community. Specifically, to discuss perspective business in the expansion of existing air service where no previous announcement has been made.

Commissioner LaDonna Finch made the motion, seconded by Commissioner Steve Mallon to hold a closed meeting.

Voting yes were:

Herbert H. Bateman, Jr., James Bourey, LaDonna Finch, Steve Mallon and George Wallace.

The Commission entered into a Closed Meeting at 8:07 a.m. and reconvened in Open meeting at 10:02 a.m. Upon reconvening, it was

RESOLVED, that to the best of the Commission's knowledge, only public business matters lawfully exempt from open meeting requirements, and only such public business matters as were identified in the motion by which the Closed Meeting was convened, were heard, discussed or considered in Closed Meeting.

Voting yes were:

Herbert H. Bateman, Jr., James Bourey, LaDonna Finch, Steve Mallon and George Wallace.

EXECUTIVE DIRECTOR 'S REPORT

Mr. Ken Spirito, Executive Director, gave the following report:

- Employee Health Fair- the week of February 29th, the airport will be hosting a Heath Week for employees. Board members are also welcome to attend. The week will include a variety of lectures and workshops. On Friday there will be an airport wide health fair to include all tenants. We

will have several vendors here to showcase different types of wellness opportunities. More information will be brought to the board in January.

- Revenue Expense Incentive Program (REIP) - This program was introduced to the PAC a few years back and achieved full support. However, Mr. Spirito decided to hold off on implementation due to the decision by Southwest Airlines to eliminate the AirTran service. Based on our short-term historical financial performance post AirTran departure and the somewhat predictable future of our financial performance, Mr. Spirito would like to re-introduce the plan. The plan is designed to further challenge employees to suggest ideas that will either increase revenues or decrease expenses. Mr. Spirito believes our employees can find ways to enhance the airport's financial position and this program should stimulate their creativity. The program will start in February 2016. Mr. Spirito will meet with the employees at-large and discuss the parameters of the program and encourage their participation.

ADJOURNED

There being no further business, the meeting was adjourned at 10:05 a.m.

NEXT MEETING

The next meeting of the Peninsula Airport Commission will be held on Thursday, January 28, 2016 at 8:00 a.m. in the Commission Room.